The number of industrial units involved in the evasion of excise duty all over the country in the period runs into thousands, as may be seen, and the time, effort and expenditure involved in compiling and furnishing this information may not be commensurate with the objectives.

(c) Action is taken in these cases under the provisions of the Central Excise Act, 1944 and rules made thereunder. Action is taken mainly to recover the duty evaded. In serious cases, action is also taken to impose penalties, and to launch prosecutions against the industrialists feud guilty.

Term Loans by Financial Institutions

6918. SHRI PARASRAM BHARDWAJ:
SHRI ARJUN CHARAN SETHI:

Will the Minister of FINANCE be pleased to state:

(a) whether the Government have recently announced further relaxation in the convertibility clauses in the agreements for term loans sanctioned by financial institutions to industrial concerns; and

(b) if so, the details in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI DALBIR SINGH): (a) and (b). Financial Institutions were advised by Government in August, 1991 to discontinue insertion of the mandatory convertibility clause in loan agreements prospectively for new projects or for expansion of capacities of projects. Subsequently, as a measure of further relaxation, Government has decided that even in respect of loan agreement executed before August, 1991 where conversion has been stipulated but has not yet been exercised, conversion could be waived by the financial institutions subject to the borrowers agreeing to pay the prevailing higher rates of interest.

Germany's Interest in Trade Circles in India

6919. SHRI PARASRAM BHJARDWAJ:
SHRI B. DEVARAJAN:

Will the Minister of COMMERCE be pleased to state:

(a) whether with the lifting of most of the restrictions and the positive thrust given by the Government towards import of capital goods, Germany has shown keen interest in trade circles in India;

(b) if so, whether any agreement has been signed in this regard;

(c) if so, the details thereof; and

(d) the major goods proposed to be exported to Germany?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI SALMAN KHURSHEED): (a) The new economic policy and leberalisations effected have been welcomed by German business circles.

(b) and (c). An agreement was singned between the German Development Bank (KFW) and the Government of India on 24th January, 1992 which provides 61 million DM for meeting the foreign exchange costs arising from the procurement by Indian companies of German capital goods and related services. This agreement is valid upto 31.12.1994.

(d) Major export products from India to Germany comprise of textiles (including garments), leather and leather products, chemicals and pharmaceuticals, agriculture and food products, gems and jewellery.